Jesus Saenz November 20, 2024

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1
        IN THE UNITED STATES DISTRICT COURT
        FOR THE WESTERN DISTRICT OF TEXAS
2
            SAN ANTONIO DIVISION
3 $OUTHWEST AIRLINES CO., )
      Plaintiff
4
5 VS.
                    ) Civil Action No.
                  5:24-cv-01085-XR
  THE CITY OF SAN ANTONIO,
7 TEXAS and JESUS SAENZ, in \, )
 his official capacity as )
8 Director of Airports for
 the City of San Antonio, )
9 Texas,
10
       Defendant
11
          VIDEO/ORAL DEPOSITION OF
12
              JESUS SAENZ
13
            NOVEMBER 20, 2024
14
15
     VIDEO/ORAL DEPOSITION of JESUS SAENZ, produced as
16 a witness at the instance of the PLAINTIFF, SOUTHWEST
17 AIRLINES CO., and duly sworn, was taken in the
18 above-styled and numbered cause on the 20th day of
19 November, 2024, from 1:01 p.m. to 5:48 p.m., before
20 Monique M. Sarosdy, CSR in and for the State of Texas,
21 reported by machine shorthand, at the offices of
22 AIRPORT BUSINESS CENTER, 10100 Reunion Place, 8th
23 Floor, San Antonio, TX 78216, pursuant to the Federal
24 Rules of Civil Procedure and the provisions stated on
25 the record or attached hereto.
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Pages 2 to 5

	Pages 2 to 5
Page 2 1	Page 4 1 38 SAT Gating Analysis Airline Allocation171
Page 3 1	Page 5 1 THE VIDEOGRAPHER: We are now on the 2 record. This begins videotape number one in the 3 deposition of Jesus Saenz in the matter of Southwest 4 Airlines Company vs. the City of San Antonio, Texas, 5 et al in the United States District Court for the 6 Western District of Texas, San Antonio Division. 7 Today is November 20th, 2024 and the 8 time is 1:01 p.m. This deposition is being taken at 9 10100 Reunion Place, San Antonio, Texas at the request 10 of the Morales Firm, PC. The videographer is Timothy 11 Desadier of Magna Legal Services and the court 12 reporter is Monique Sarosdy of Magna Legal Services. 13 Will counsel and all parties present 14 state their appearances and whom they represent. 15 MR. GOLDBERG: Roy Goldberg from Clark 16 Hill on behalf of the plaintiff, Southwest Airlines 17 Co. 18 MR. MORALES: Lawrence Morales on behalf 19 of Southwest Airlines. 20 MS. MAYEUX: Angela Mayeux, in-house 21 counsel, Southwest Airlines. 22 MS. KLEIN: Debbie Klein, City of 23 San Antonio, City Attorney's Office on behalf of the 24 City of San Antonio and Jesus Saenz. 25 MR. PILSK: Eric Pilsk, Kaplan Kirsch,



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- Q. And this is dated February 15, 2023, it's 2 called "New Terminal Design Signals Major Billion 3 Dollar Changes at San Antonio Airport," do you see 4 that?
- A. I do.
- 6 Q. And it's written by a Shari Biediger, do you 7 know who that is, B-I-E-D-I-G-E-R?
- A. Yes, sir. She's a reporter.
- Q. Did she interview you for this article?
- 10 A. I don't remember but she must have if it's 11 written.
- 12 Q. So it says, "Airport officials unveiled a 13 model and renderings of a new San Antonio terminal 14 airport Wednesday that city manager, Erik Walsh, said 15 changes the pathway for this region for a very long 16 time," do you see that?
- 17 A. Yes, sir.
- 18 Q. Okay. Then it says, "Conceptual renderings 19 show a bright and modern airport terminal bigger than 20 the two existing terminals combined with up to 17 21 gates, lengthy passenger departure and arrival lanes,
- 22 spacious waiting areas and club lounges and a lushly
- 23 landscaped open air courtyard"; is that right?
- 24 A. Yes, sir.
- 25 Q. So that was the plan as of these conceptual

- A. Yes. sir.
 - Q. Did you ever have a conversation with city 3 manager, Erik, with a K, Walsh, W-A-L-S-H regarding 4 the designs for the new terminal?

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- A. Yes. sir.
- Q. Did you ever discuss with Mr. Walsh having 7 club lounges in the new terminal?
- A. I don't remember if we specifically discussed 9 club lounges. Like if you're asking me in a 10 conversation just with me and the city manager? Q. Yes.
- 12 A. I know that in the design as the information 13 is reported to the Executive Steering Committee, that 14 information is shared with everyone that attends the 15 meeting.
- 16 Q. Did you ever have a conversation between you 17 and Mr. Walsh as to his hopes and desires for what the 18 new terminal would become?
- A. Sure. 19
- 20 Q. Okay. Tell us about that.
- 21 A. The City of San Antonio has on a number of 22 occasions issued out a master planning effort and has 23 not necessarily executed on those master plans and it 24 is his -- you know, I don't want to speak for the city 25 manager, but in our conversations, the City needs to

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- 1 renderings in February 2023, correct?
- A. Yes. sir.
- Q. And is that what is currently also still 4 being planned and proposed for Terminal C?
- 5 A. Well, there's a number of changes as you go 6 through the design, it's the reason we went with a 7 delivery method of a construction manager, so it's 8 constantly under design. When we started --
- Q. Sorry. Will it be bright and modern?
- 10 A. Yes, sir.
- 11 Q. Will it be bigger than the two existing A and 12 B combined?
- A. Yes, sir. 13
- 14 Q. Will it be up to 17 gates?
- A. To be determined still. We're still in 15 16 design.
- 17 Q. Will there be club lounges?
- 18 A. As of right now, yes.
- 19 Q. What do you mean "as of right now," that may 20 change?
- A. It could. Right now it's in design and
- 22 carriers have already requested to place lounges. So
- 23 it's being designed with those lounges.
- Q. And it will be lushly landscaped open air 25 courtyard, that's part of it too currently?

- 1 improve its overall aviation footprint as it relates 2 to the amount of capacity we have for terminals, the 3 amount of air service that we provide, so 4 specifically, you know, service into Mexico, service 5 into South America, service -- European service and 6 continuing to grow the City as the airport works to 7 grow and expand for -- you know, to have better 8 economic impact to the City. So the airport is a very 9 important engine in order for those things to happen
- 11 request or ask of me is, hey, let's help grow the 12 airport so that can help grow the economic impact of 13 the City.

10 and for people to do business, and his constant

- 14 Q. Were club lounges in the master plan, if you 15 can recall?
- 16 A. I don't remember that.
- Q. Goes on for quite a bit. On Page 4 of 5, it 17 18 says that Councilman Clayton Perry, D10, asks what 19 will be done to Terminals A and B to bring them up to
- 20 standards. "Those passengers coming in and out of
- 21 Terminal A and B may never ever see Terminal C," he 22 said. "Saenz responded that the new terminal will
- 23 become a central processor connecting to Terminal B,
- 24 but Terminal A, built in 1984, has nearly reached the
- 25 end of its life expectancy." Then it says, quoting



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1 you, "We feel like we can get still another five to 2 eight years after that, but after that, it's a 3 demolition," correct, you said that?

- 4 A. That is correct.
- 5 Q. And so five to eight years after 2013, I took 6 math from the gym coach, but basically, we're talking 7 about the end of the decade, right?
- 8 A. Correct.
- 9 Q. And is that still your understanding, that by 10 the end of this decade, Terminal A goes kaput?
- 11 A. No, sir.
- 12 Q. So what's changed between this article, which
- 13 I assume you meant that at the time, and today?
- 14 A. We've made a lot of investment into Terminal
- 15 A as it relates to mechanical, electrical and
- 16 plumbing. So we've put pretty close to a hundred
- 17 million dollars' worth of work into Terminal A to
- 18 continue to, you know, extend the life expectancy of 19 Terminal A.
- 20 Q. But as of February 2023, you thought Terminal 21 A was going to be demolished, and sitting here today, 22 you're saying it's not, when was the decision made to
- 23 put that extra money in into retaining Terminal A, and
- 24 how long do you expect to keep Terminal A?
- 25 A. Well, we feel like we can continue to extend

- 1 Q. Generally speaking?
 - 2 A. I don't want to answer incorrectly and give 3 you a wrong date and be held to that, so I apologize. 4 I just don't remember the exact dates. But we did 5 advance Terminal A planning that led to the decision 6 of how long the terminals could last and we wanted to 7 continue to work towards, you know, adding additional 8 capacity, at which point, we made the decision to add 9 three additional gates, two into Terminal B and one 10 into Terminal A, which those gates are now utilized.

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- 11 And then currently to date, to additional capacity
- 12 because of the growth patterns that we've been
- 13 experiencing, we added the ground load facility, and
- 14 we plan to open that ground load facility adjacent to
- 15 Terminal A in October of 2025. So somewhere in that 16 timeline, as we were making those decisions and we
- 17 were connecting the ground load facility to Terminal
- 18 A, we made the decision that Terminal A still has a
- 19 lot of life expectancy into it and we want to continue
- 20 to grow the amount of air service that we have here 21 out of San Antonio International Airport.
- 22 MR. GOLDBERG: Why don't we take a 23 ten-minute break.
- 24 THE VIDEOGRAPHER: Going off the record. 25 Time is 2:09.

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- 1 the life of Terminal A. There was a Terminal A
 2 assessment that was performed that outlined some of
 3 the needs, but it wasn't a very high level detail. So
 4 as we went through the Airline Use and Lease Agreement
 5 with the carriers, we made the decision that we would
 6 do an assessment of Terminal A and Terminal B and then
 7 make the capital investment to help bring those
 8 terminals further along.
- 9 Q. So in February 2023, you said to the 10 reporter, "Terminal A is going to be demolished," was 11 that still the state of affairs by the end of 2023?
- 12 A. I'm taking my time because I'm trying to 13 remember when --
- 14 Q. Sure. That changed, yeah.
- 15 A. We've made a lot of investments. I mean, I
 16 think about mechanical work that we have done, we've
 17 done electrical work into the terminal --
- 18 Q. Sorry. But when was the switch flipped, that 19 all of a sudden, if you had been talking to a reporter 20 after this article, you would have said, no, Terminal 21 A is staying for a long time?
- A. In the advanced terminal planning documents 23 that we completed post the strategic development 24 program, and I don't remember the exact dates, I 25 apologize.

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- 1 (Recess from 2:09 to 2:24.)
- 2 THE VIDEOGRAPHER: Back on the record. 3 Time is 2:24.
- 4 (Exhibit No. 31 marked.)
- 5 Q. (BY MR. GOLDBERG) Director Saenz, did you go 6 to Southwest Airlines on April 2nd, 2024 to talk about 7 the Terminal Development Program?
- 8 A. We did go to Southwest Airlines, I don't 9 remember the exact date, but yes, sir, we did.
- 10 Q. Around that time frame?
- 11 A. Yes, sir.
- 12 Q. What was the purpose of that meeting?
- 13 A. Discuss the update on the Terminal
- 14 Development Program.
- 15 Q. Had a decision at that point been made, that
- 16 Southwest would not be allowed to go to Terminal C?
- 17 A. No, sir.
- 18 Q. Had Corgan, at that point, recommended to the 19 ESC that Southwest not be permitted to go to Terminal 20 C?
- 21 A. No, sir.
- 22 Q. Okay. And was a PowerPoint part of the 23 airport's meeting with Southwest Airlines? Was one 24 prepared?
- 25 A. Yes, sir.



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1 was a factor that was considered?

- 2 A. I don't know what fit means.
- 3 Q. That's what I was going to ask you. Okay. 4 You just don't know. Whoever drafted this must have
- 5 had an understanding but you're not aware.
- 6 A. I don't know what fit means.
- 7 Q. Well, did you ever in the ESC discussions or 8 any other discussion leading up to the decision talk 9 about airline fit into San Antonio?
- 10 A. I don't remember that, sir.
- Q. What about, "The airline's service growth and 12 experience." Was that a factor that was considered in 13 the gating decision?
- 14 A. I would say growth is. I don't know how 15 service and experience play into a role of deciding 16 why an airline would get into a certain gate because
- 17 that's what -- that's what's being referenced here.
- 18 Now, service can be interpreted a lot of different
- 19 ways. Are you servicing international, are you 20 servicing domestic or is it your overall level of
- 21 customer service? I don't know what they're -- what
- 22 is trying to be said here. So I would say -- now
- 23 growth is a factor to say, hey, I'm going to go from X
- 24 number of gates to X -- to Y number of gates, well 25 then okay, then that could be a factor. Your

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- Page 88 1 aircraft fitting into specific, whether you have J 2 lines, a safety envelope or how an aircraft is going 3 to, you know, button up to a jet bridge.
- 4 Q. Was that a discussion in the ESC with regard 5 to the airlines, what their fit was in that context?
- 6 A. I don't know what fit means here is where 7 I'm -- is what I would share with you.
- Q. As airport director, did you believe that the 9 new terminal should have large airline clubs?
- 10 A. No.
- 11 Q. Did Corgan make a recommendation that the new 12 terminal have airline clubs?
- A. I don't remember if they made that 14 recommendation or not.
- 15 Q. Do you remember the City asking Corgan 16 whether or not the new terminal should have airline 17 clubs?
- 18 A. I don't remember if that was -- if that was 19 asked of the City to Corgan. I just --
- Q. Do you understand whether Corgan as an 21 architect or engineering firm, would they have any say 22 into whether or not an airline club was going into the 23 airport? Would that be part of what they were -- the 24 work they were doing for you for the City?
- 25 A. I'd have to go back and look at their

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- 1 experience, not sure why that would play a factor into 2 why -- whether you've been in operation and you've got 3 approval to operate an aircraft commercially at this 4 airport, whether it's one year or ten years. I'd have 5 to have a better definition of what experience means 6 before I'd say.
- 7 Q. Would you agree with me that airline clubs 8 are a service that an airline offers to passengers? 9 A. Yes, sir.
- 10 Q. And in selecting Delta and American for 11 Terminal C, the airline agreement to lease club space 12 in the terminal was a significant factor, correct?
- 13 MR. PILSK: Objection; asked and 14 answered. You can answer.
- THE WITNESS: It's a factor. I wouldn't
- 16 say it's a significant factor. 17 Q. (BY MR. GOLDBERG) And you don't know what 18 was referenced in this document regarding fit of the
- 20 A. No, sir.

19 carrier?

- Q. Would that be an appropriate factor to
- 22 consider in deciding where to place a carrier, what
- 23 the fit of the carrier is with the City?
- 24 A. I have an interpretation of fit as I read 25 this document, and I take into consider size of

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- 1 contractual agreement as the master architect to 2 determine whether that's in their request or not. I 3 just don't have it in front of me. I apologize.
- Q. So we could go to their -- there's an 5 agreement with the City, they were hired?
- A. Yes, sir.
- 7 Q. And there's -- there'll be a scope of 8 services.
- A. There will be.
- 10 Q. And that document, one or another -- we've 11 asked for it. We just received some documents like 12 yesterday from Corgan.
- 13 A. Okay.
- Q. But one way or another, that should tell us
- 15 whether or not the City told Corgan that the City
- 16 wanted Corgan's recommendation as to whether an
- 17 airline club should be included, correct?
- 18 A. Yeah. As part of the work that they're
- 19 performing, the recommendation was established on
- 20 where the -- pros and cons were of the gating
- 21 assignments.
- 22 Q. During 2024, were you concerned as to how

23 Southwest would react to not being assigned to the new

- 24 Terminal C?
- 25 A. I was concerned on how all carriers would



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1 A. I do.

2 Q. Do you see -- do you recall sitting here

3 today any ranking of airlines in connection with the

- 4 decision-making process for the Post-DBO gate and club 5 locations?
- 6 A. I remember seeing a lot of models, I just 7 don't remember seeing the exact scoring sheet.
- 8 Q. Did you see any scores at all assigned to 9 airlines for purposes of the decision?
- 10 A. No. sir.
- 11 Q. So then it says in the next paragraph, "The
- 12 EPM," so that would be ANSER or Brandenburg, "and MA,"
- 13 which would be Corgan "and a member from each of the
- 14 SAT ALUA team and the SAT TDP team reviewed and
- 15 considered nonquantifiable considerations, among which
- 16 were the carrier's fit into San Antonio," and then it
- 17 says "relating to desirability of passenger profile,
- 18 business, leisure, mix, et cetera, and the airline
- 19 brand position, network, ULCC, established startup,
- 20 et cetera," do you see that language?
- 21 A. I do.
- 22 Q. So does that give you an understanding as to
- 23 what fit meant above?
- 24 A. It does.
- 25 Q. Okay. So what's that understanding now?

Page 102 1 A. A Frontier or Allegiant.

2 Q. And did you also mention legacy carrier?

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- 3 A. Yeah, legacy carriers.
- 4 Q. So that would be like American or Delta.
- 5 A. Or United, yeah.
- 6 Q. Okay. Do you recall any discussion at the
- 7 ESC level about the nature of whether a carrier was
- 8 low cost, ultra low cost or legacy as a factor to
- 9 consider in deciding which carriers would be permitted 10 to move into Terminal C?
- 11 A. No, sir.
- 12 Q. Do you think that would have been a
- 13 legitimate consideration for the ESC to consider,
- 14 whether a carrier was low cost, ultra low cost or
- 15 legacy carrier?16 A. No, sir.
- 17 Q. Why not?
- 18 A. It's not -- you're not basing the type of
- 19 service that the aircraft provides on how we're going
- 20 to best balance the overall utilization of the carrier
- 21 placements throughout the terminal complexes. We're
- 22 looking at, as I mentioned earlier, how many
- 23 passengers are you servicing, how are we going to best
- 24 balance out the utilization of everything that's --
- 25 that's being utilized at the airport, of which some is

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- 1 A. Based on the type of aircraft, whether that 2 be business, leisure or mix of what type of service 3 they provide.
- 4 Q. When you say "aircraft business, leisure or 5 mix," do you mean aircraft or do you mean service?
- 6 A. I mean, both. You have different sizes of 7 aircraft and you have domestic service and you have 8 international service. You have leisure service and 9 you have, you know, business service. You have low 10 cost carrier, ultra low cost carrier and you have 11 legacy. There's a lot of mix into that.
- 12 Q. Do you think that was an appropriate factor13 to consider in deciding the Post-DBO gate and club14 locations?
- 15 A. I think it's dependent on how it's being16 utilized. I mean, there's a lot of factors that are17 being considered. I just don't know exactly how it18 was being considered.
- 19 Q. You reference the term, I think, ultra low 20 cost carrier or low cost carrier?
- 21 A. Uh-huh. Both.
- 22 Q. And which is Southwest in your understanding?
- 23 A. Low cost carrier.
- 24 Q. Okay. And so what's an example of an ultra 25 low cost carrier?

1 going to be domestic and some is going to be

- 2 international, and what is going to be available.
- 3 That's the information, as I understand, that was
- 4 considered into the recommendations that were going
- 5 there, amongst a lot of other technical data.
- Q. Other than checking the scope of the Corgan7 agreement, do you know today whether or not Corgan was
- 8 asked to consider desirability of passenger profile,
- 9 business, leisure, mix, et cetera, and airline brand
- 10 position, network, ULCC, established startup,
- 11 et cetera, when making its recommendation to the City 12 on the gate placement?
- 13 A. I do not, sir. I don't remember that.
- 14 Q. Would you have ever asked Corgan to consider
- 15 those factors?
- 16 A. No, sir.
- 17 Q. Why not?
- 18 A. The basis of the way we were making the
- 19 decisions, as I understood them, were based on the
- 20 technical data as the number of passengers that you're
- 21 servicing and how we were going to best balance out
- 22 the terminal complex for the utilization of all the
- 23 gates and whether that be domestic or internationally,
- 24 that's how the decision was brought forward to us with
- 25 specific pros and cons. So there's a lot of factors



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1 to provide to our passengers that come into the city 2 of San Antonio, whether you're coming from any 3 international market. And I'm just trying to explain 4 to you that when you asked me the question not 5 specific to American Airlines, but the decision is 6 made for the international service on the cabin size 7 that you're --

8 Q. But this document refers to American Airlines
9 and it talks about a split cabin. And if that
10 reference is to a split cabin, meaning first class and
11 economy, on a domestic flight from San Antonio to
12 Los Angeles, for example, is that an appropriate
13 consideration for determining that American gets to go
14 to Terminal C, the fact that they offer a split cabin
15 whereas Southwest does not have multiple services -- a
16 split cabin? Is that appropriate in your
17 understanding to have been considered?

- 18 A. I don't know why the document was -- or how 19 it was produced, so I can't answer that specifically.
- 20 Q. So it could be okay to do that.
- 21 A. Well, I'm just telling you, from an
- 22 international perspective --
- Q. We're not talking about international nowthough, we're talking about split cabin domestic.American is domestic as of this document.

1 the aircraft and the size of aircraft that you're 2 utilizing?

3 Q. We're talking about a 737. One has first 4 class, one doesn't. Does that make -- does that have 5 any relevance to where that aircraft is going to be 6 provided a gate?

7 MR. PILSK: Objection; argumentative. 8 You can answer.

9 THE WITNESS: No.

10 Q. (BY MR. GOLDBERG) Based on this document, if 11 it applied to the recommendation, that appears to have 12 been one of the considerations, correct?

13 A. Based on this document, yes, sir.

14 Q. Okay. Thank you.

15 So the next document, I'm sorry, the 16 next page in this is for Delta. Do you see that 17 there?

18 A. Yes, sir.

19 Q. Okay. And that also has various points20 awarded, you see? For example, airline club request,21 seven points. Seven out of seven, do you see that?

22 A. I do.

23 Q. Okay. And then go a couple more pages, and 24 by the way, they had it -- and that page, 3479, 25 recommendation C next to international gate, do we see

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A. Yes, sir.

2 Q. No international. I'm not talking about it.

4 asking you, curious to know what your thought is, do 5 you think it's appropriate for the City to have 6 decided that American can go to Terminal C, at least 7 in part because it offers split cabin versus Southwest 8 that offers a single cabin?

This says split cabin, and I'm just

9 A. No, sir.

10 Q. And why would not -- why would that 11 consideration not be appropriate?

12 A. There's a lot of -- you're not just making it 13 off of one factor. There's a lot of factors that go 14 into the decision.

- 15 Q. But is that one factor okay to consider?
- 16 A. It could be.
- 17 Q. Okay. Why is that?
- 18 A. It just depends on the utilization of the 19 aircraft that you're going to bring and how you're 20 going to service that aircraft.
- 21 Q. How does it matter whether or not a 737 has a 22 first class cabin or doesn't have a first class cabin 23 and it's the same size aircraft, how does that
- 24 possibly impact what you're talking about?
- 25 A. Are you -- it's based on where you're parking

1 that there? Are you with me?

2 A. I'm getting there.

3 Q. Okay.

4 A. Yeah.

5 Q. And just to be clear, 3476 did recommend 6 Terminal C for American, but it doesn't say anything 7 about an international gate there, the way it does 8 there for Delta, correct? Do you see that?

9 A. Correct.

10 Q. And Page 3479, it says "Fit into SAT.

11 Network carrier, business traveler appeal plus leisure 12 appeal," right?

13 A. Yes, sir.

14 Q. What significance does the fact that it's a

15 business traveler have as to the decision to put Delta

16 into Terminal C, if it does?

17 A. I don't know.

18 Q. Would that be appropriate?

19 A. No, sir.

20 Q. And why is that?

21 A. We're not basing the decision if you should

22 go into a terminal based on the type of traveler that 23 you're providing service to.

24 Q. Could you if you wanted to, or would that be 25 improper?



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